Louis Gilbert & Associates, Inc.

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January 5, 2004

Honorable James H. Welsh Commissioner of Conservation P.O. Box 94275, Capitol Station Baton Rouge, Louisiana 70804-9275

RE: Application Notice

6800' Sand, Reservoir A 7200' Zone, Reservoir A

LAPEYROUSE FIELD

Terrebonne Parish, Louisiana

Dear Sir:

Hubco Exploration, Inc. ("Applicant") hereby makes application to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating the 6800' Sand, Reservoir A and the 7200' Zone, Reservoir A in the Lapeyrouse Field, Terrebonne Parish, Louisiana.

6800' SAND, RESERVOIR A

- 1. To create one additional drilling and production unit for the 6800' Sand, Reservoir A, hereby referred to as 6800' RA SU B.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate a unit well and unit operator for the unit to be created.
- 4. To extend to the unit created all pertinent provisions of Office of Conservation Order No. 416-N-1 effective May 5, 1970.
 - 5. To consider such other matters as may be pertinent.

The 6800' Sand, Reservoir A, in Lapeyrouse Field, Terrebonne Parish, Louisiana, is defined in Office of Conservation Order No. 416-N-1, effective May 5, 1970.

7200' ZONE, RESERVOIR A

- 1. To establish rules and regulations governing the exploration for and production of oil and gas from the 7200' Zone, Reservoir A, in the Lapeyrouse Field, Terrebonne Parish, Louisiana.
- 2. To create a single drilling and production unit for the exploration for and production of oil and gas.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 4. To designate a unit well and unit operator for the unit to be created.
- 5. To provide that any future replacement or alternate unit wells drilled to the 7200' Zone, Reservoir A, should be exempt from the spacing provisions of Statewide Order No. 29-E.
- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
 - 7. To consider such other matters as may be pertinent.

The 7200' Zone, Reservoir A, is hereby defined as being that oil and gas bearing zone encountered between the depths of 6,991 feet and 7,207 feet (electrical log measurements) in the Singer (San Jacinto) - Oswald Alba No. 1 Well, located Section 65, Township 20 South, Range 18 East in Lapeyrouse Field, Terrebonne Parish, Louisiana.

A timely request for the conference tentatively scheduled in the preapplication notice dated November 26, 2003 was not received and therefore the conference will not be held.

All pertinent data relating to the subject application is available for inspection at the Offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002. Any person wishing to inspect such data should contact the undersigned at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is not otherwise available from the Office of Conservation can be obtained at the expense of the requesting party.

The Applicant will provide for posting a copy of the Legal Notice of this hearing a copy of the enclosed plats at a prominent place in the area affected by this application and will cause the publication of the Legal Notice in a newspaper published in the general area of the Lapeyrouse Field. Futhermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties all in accordance with the Revised Rules of Procedure.

There is attached hereto and made a part hereof, plats outlining the proposed units and a list of names and addresses of the Interested Parties, Interested Owners and Represented Parties to whom this notice is being sent. Pursuant to the Revised Rules of Procedure, such list of Parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. The aforementioned list is available upon request to any Interested Party. A reasonable effort was made to ascertain the names and addresses of all Interested Parties, Interested Owners and Represented Parties as required by the Revised Rules of Procedure.

There is enclosed herewith on behalf of the Applicant a check made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours, LOUIS GILBERT & ASSOCIATES, INC.

Mr. Richard Hudson (w/enclosures) cc: Office of Conservation P.O. Box 51285 OCS Lafayette, Louisiana 70505

> Mr. Howard Essner (w/enclsoures) Hubco Exploration, Inc.

Mr. Ron Robicheaux (w/enclosures) Hubco Exploration, Inc.

Mr. Irv Prentice (w/enclosures) Hubco Exploration, Inc.

Interested Parties, Interested Owners and Represented Parties (w/plat)



